

In The Matter Of:

*James H. Gorbey, Jr. v.
Ashland Construction Co., et al.*

*Richard Longwill
December 6, 2004*

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[1] Q. Was it a joint ownership or was the house
[2] owned -- was it a joint ownership?

[3] A. Yes.

[4] Q. For how long did you own that home?

[5] A. About thirty years.

[6] Q. That takes me to 1999. Is that right?

[7] A. Somewhere around there.

[8] Q. Did you then sell the house?

[9] A. No.

[10] Q. What happened to your ownership in the
[11] house after approximately thirty years?

[12] A. We put it into a trust.

[13] Q. Okay. What trust?

[14] A. I believe they call it a granters reserve
[15] trust.

[16] Q. When did you do that?

[17] A. I would have to find that out for you.

[18] Q. How would you go about doing that?

[19] A. Go find the trust.

[20] MR. HART: As we get through some of
[21] this, there could be a lot of
[22] intertwining of, like the trust and who
[23] it would go to and things along those
[24] lines. We would ask, if you don't mind,

[1] MR. CASEY: Dan, do we have that
[2] document?

[3] MR. HART: No.

[4] MR. CASEY: Can I have them?

[5] MR. HART: If you make a request.

[6] MR. CASEY: I am making that request
[7] now.

[8] MR. HART: I don't know if we have
[9] them here.

[10] BY MR. CASEY:

[11] Q. You told me that you owned the house for
[12] approximately thirty years. Can you tell me,
[13] with any more specificity, when that conveyance
[14] was made?

[15] A. I assume you will find that out when we
[16] get that document, and it will give a date of
[17] transfer.

[18] Q. Can you give me, sir, your own
[19] understanding as to the date of --

[20] A. I don't know.

[21] Q. You can't give me any more specific date
[22] other than approximately 1999?

[23] A. Somewheres around there, yes.

[24] Q. But from what you're telling me, I

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[1] can we agree to confidentiality for this
[2] transcript? At this point you just have
[3] facts, which are of no consequence.

[4] MR. CASEY: Yes, we can talk about
[5] that maybe during a break. But I don't
[6] think there is going to be any problem
[7] with that. Can we just find out who,
[8] rather than having me ask a lot of
[9] questions about it, can you tell me who
[10] owned the house on the date of the
[11] drowning?

[12] THE WITNESS: It was in trust.

[13] BY MR. CASEY:

[14] Q. Who was the trustee?

[15] MR. HART: That you can answer.

[16] BY MR. CASEY:

[17] Q. Who was the trustee?

[18] A. Barbara Longwill.

[19] Q. Who is Barbara Longwill?

[20] A. My wife.

[21] Q. Do you have trust documents reflecting
[22] this conveyance from your ownership with your
[23] wife to the trust?

[24] A. Yes.

[1] understand that on the date of your
[2] granddaughter's death, you're confident that
[3] the trust owned your Coachman Road house?

[4] A. Correct.

[5] Q. For what reason did you make that
[6] conveyance from your individual ownership to
[7] the trust in the name of your wife?

[8] MR. HART: I'm going to have to
[9] object because the scope of the
[10] deposition here is venue and
[11] jurisdiction, as far as his individual
[12] contacts with the Commonwealth of
[13] Pennsylvania. His motivation for
[14] forming the trust, I don't think, has
[15] anything to do with the issues here.

[16] BY MR. CASEY:

[17] Q. Were there any other entities, other than
[18] your wife, named as trustee?

[19] A. No.

[20] Q. Do you own any businesses today, sir?

[21] A. Personally?

[22] Q. Yes.

[23] A. No.

[24] Q. Do you, through any corporate or other

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[1] entity, own any businesses?

[2] A. Yes.

[3] Q. Please tell me about those?

[4] MR. MINTZER: Object to the form.

[5] BY MR. CASEY:

[6] Q. You can answer the question.

[7] MR. MINTZER: I mean, does he own or
[8] through any other entity --

[9] MR. CASEY: I don't think you're
[10] representing, object to the form. He is
[11] answering the question.

[12] MR. MINTZER: I object to the form
[13] and I'm objecting, I represent Air Base
[14] and that may be one of the interested
[15] issues in the case.

[16] MR. CASEY: You can object to the
[17] form.

[18] MR. MINTZER: I'm objecting to the
[19] form because any other entities is too
[20] vague at this stage.

[21] MR. HART: Do you understand the
[22] question?

[23] THE WITNESS: No.

[24] BY MR. CASEY:

[1] Q. Okay. Which businesses do you have any
[2] ownership interest in?

[3] MR. HART: That's a different
[4] question.

[5] THE WITNESS: He wants to know --
[6] could you say that again?

[7] BY MR. CASEY:

[8] Q. Sure. Which businesses do you have an
[9] ownership interest in?

[10] A. I own a number of different carpet
[11] companies.

[12] Q. Which ones?

[13] A. Air Base Carpet Mart, Inc..

[14] Q. You can keep reading.

[15] A. Air Base Distributing, Inc..

[16] Q. Go ahead.

[17] A. I'm trying to think which ones there are.

[18] Q. How about Lancaster Carpet Mart, Inc.?

[19] A. Right.

[20] Q. How about Allentown Carpet Mart and
[21] Wallpaper Outlet, Inc.?

[22] A. I don't own that.

[23] Q. Who does?

[24] A. Nobody.

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[1] Q. Do you own any other businesses, do you
[2] own any other businesses through any corporate
[3] or other affiliation of your own?

[4] A. Yes.

[5] Q. Please tell me about those?

[6] MR. MINTZER: Objection.

[7] MR. LESSNER: Objection.

[8] MR. MINTZER: Objection. Does your
[9] question include as a point of fact in
[10] form, investments?

[11] MR. CASEY: I think he can answer to
[12] the best of his understanding. You can
[13] preserve an objection, which is your
[14] right to do so. I would like the
[15] witness just to give me his best answer
[16] to the question. He seems to understand
[17] it.

[18] THE WITNESS: I don't.

[19] BY MR. CASEY:

[20] Q. Do you own any businesses through a
[21] corporate affiliation?

[22] A. Yes.

[23] Q. Which ones?

[24] A. Which would be corporate affiliations.

[1] Q. Do you know who owns it?

[2] A. No.

[3] Q. Does it still exist?

[4] A. No.

[5] Q. When did it cease to exist, if it did?

[6] A. I don't know.

[7] Q. Do you recognize that entity?

[8] A. Yes.

[9] Q. What is it?

[10] A. It use to be a carpet concern that I
[11] owned.

[12] Q. When did you --

[13] A. I don't know. I don't remember when I
[14] got rid of it.

[15] Q. Approximately when?

[16] A. Way back, ten years ago or so.

[17] Q. To whom did you sell it?

[18] A. It just went out of business.

[19] Q. How about Reading Carpet Factory Outlet,
[20] Inc.?

[21] A. That still exist, I own that.

[22] Q. Yorktown Carpet Mart, Inc..

[23] A. Yes.

[24] Q. Do you own that?

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[1] A. Yes.
 [2] Q. Lomax Home Center, Inc., do you own that?
 [3] MR. MINTZER: Objection to the form,
 [4] you went from investment to ownership.
 [5] And that clearly is a violation of form,
 [6] because you did that very smoothly,
 [7] without changing the prior question. So
 [8] I object to the form and the line.
 [9] MR. CASEY: I assume what you're
 [10] telling me is you object to the form.
 [11] MR. HART: I think what the
 [12] distinction is whether he has an
 [13] ownership interest or --
 [14] MR. CASEY: This man is answering
 [15] his own questions. Please don't answer
 [16] for him.
 [17] MR. MINTZER: It's over an
 [18] objection.
 [19] MR. CASEY: Please let him answer
 [20] the questions. I think we all know that
 [21] that is proper. And he can answer the
 [22] question as he sees fit. Now you're
 [23] telling him he is not answering the
 [24] question the way you want him to answer

[1] Inc.?
 [2] A. Yes.
 [3] Q. When, last, did you own one hundred
 [4] percent of the stock?
 [5] A. I would have to find that out for you.
 [6] Q. Approximately when?
 [7] A. Ten years ago.
 [8] Q. Are you telling me that approximately ten
 [9] years ago the condition whereby you owned one
 [10] hundred percent of the stock changed to a
 [11] condition whereby you owned fifty percent and
 [12] your son owned fifty percent?
 [13] A. Correct.
 [14] Q. Are you, or have you ever been an officer
 [15] or director of any of the companies that we
 [16] just talked about?
 [17] A. At one time.
 [18] Q. Are you today?
 [19] A. No.
 [20] Q. Are you an officer or director of any
 [21] company today?
 [22] A. I'm chairman of the board.
 [23] Q. Of what?
 [24] A. Air Base Carpet Mart.

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[1] it.
 [2] BY MR. CASEY:
 [3] Q. Sir, do you own Lomax Home Center, Inc.?
 [4] MR. MINTZER: Objection.
 [5] THE WITNESS: As an investment?
 [6] BY MR. CASEY:
 [7] Q. Do you have any ownership interest in
 [8] Lomax Home Center, Inc.?
 [9] A. Yes.
 [10] Q. And that's located at 2940 Jasper Street
 [11] in Philadelphia, Pennsylvania, correct?
 [12] A. That's correct.
 [13] Q. Would I be correct to say that one
 [14] hundred percent of the stock of that company is
 [15] owned by you?
 [16] A. No.
 [17] Q. What percentage of stock do you own?
 [18] A. Fifty percent.
 [19] Q. Who owns the rest of it?
 [20] A. Michael Longwill.
 [21] Q. Who is Michael Longwill?
 [22] A. My son.
 [23] Q. Did you, at any time, own one hundred
 [24] percent of the stock of Lomax Home Center,

[1] Q. For how long have you been chairman of
 [2] the board of Air Base Carpet Mart?
 [3] A. December of '99.
 [4] Q. What percentage of stock of Air Base
 [5] Carpet Mart do you own?
 [6] A. Probably fifty percent.
 [7] Q. For how long have you owned fifty percent
 [8] of the stock of Air Base Carpet Mart?
 [9] A. Since its inception.
 [10] Q. When was that?
 [11] A. 1969.
 [12] Q. Have you ever been an officer or director
 [13] of Lancaster Carpet Mart, Inc.?
 [14] A. At one time.
 [15] Q. When?
 [16] A. Before December of '99.
 [17] Q. I understand what you're telling me, sir,
 [18] to mean that you ceased being an officer or
 [19] director of Lancaster Carpet Mart, Inc. in
 [20] December '99?
 [21] A. Yes.
 [22] Q. Would the same be true of Reading Carpet
 [23] Factory Outlet, Inc.?
 [24] A. Yes.

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(1) Inc.?
(2) **MR. HART:** Objection, that's beyond
(3) the scope of the notice, what those
(4) corporate entities have to do with him.
(5) **MR. CASEY:** Dan, I really, I think
(6) I'm entitled to ask questions that are
(7) reasonably calculated to lead to the
(8) discovery of the information that I'm
(9) entitled to get under the judge's order.
(10) And all I am interested in knowing who
(11) owns these companies and towards the end
(12) of establishing venue or/and
(13) jurisdictional contact. And I suggest
(14) to you that these are perfectly
(15) acceptable questions. And I don't want
(16) to bring him back but it seems to me
(17) that we are headed in that direction.
(18) **MR. HART:** Well, we've already
(19) discussed his ownership in those
(20) companies.
(21) **BY MR. CASEY:**
(22) **Q.** Who else owns the companies with you?
(23) **A.** Barbara Longwill.
(24) **Q.** And we're talking about Air Base Carpet

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(1) open?
(2) **A.** Carpet Mart, Inc. opened somewhere in
(3) the early '70s.
(4) **Q.** How about Reading Carpet Factory Outlet?
(5) **A.** I think probably '72.
(6) **Q.** How about Yorktown Carpet Mart?
(7) **A.** Mid '70s, I don't have specific dates for
(8) all this.
(9) **Q.** That's all I'm asking for is general time
(10) frames. Lomax?
(11) **A.** Probably in the '80s.
(12) **Q.** Did you sign any of the documents of
(13) incorporation for any of those businesses?
(14) **A.** Possibly.
(15) **Q.** Do you expect that you did, sir?
(16) **A.** Some of them were signed by my father,
(17) who's since deceased.
(18) **Q.** When did he die?
(19) **A.** Seven years ago.
(20) **Q.** But do you expect that you yourself
(21) signed any of them?
(22) **A.** I might have.
(23) **Q.** Lomax, I think you said started in the
(24) mid '80s?

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(1) Mart, Inc.?
(2) **A.** Yes.
(3) **Q.** Who else?
(4) **A.** That's it.
(5) **MR. HART:** He said it's fifty/fifty.
(6) **BY MR. CASEY:**
(7) **Q.** So I assume from your answer that no
(8) corporate entity has any ownership interest in
(9) the Air Base Carpet Mart, Inc., is that
(10) correct?
(11) **A.** Can you rephrase that?
(12) **Q.** You told me --
(13) **A.** Are you saying that one corporation owns
(14) part of another corporation?
(15) **Q.** Yes, that's what I'm saying.
(16) **A.** No.
(17) **Q.** So no corporate entity has any ownership
(18) interest in Air Base Carpet Mart, Inc., is that
(19) correct?
(20) **MR. HART:** Objection, asked and
(21) answered.
(22) **THE WITNESS:** That's correct.
(23) **BY MR. CASEY:**
(24) **Q.** When did Lancaster Carpet Mart, Inc.

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(1) **A.** Yes.
(2) **Q.** Do you expect that you signed any of the
(3) corporate documents for Lomax Home Center?
(4) **A.** I may have.
(5) **Q.** Who owns the buildings in which these
(6) businesses operate?
(7) **A.** I do, with my wife.
(8) **Q.** You do individually with your wife?
(9) **MR. MINTZER:** Objection.
(10) **MR. HART:** Objection to the form.
(11) **MR. HART:** The question is who owns
(12) them.
(13) **THE WITNESS:** R and B Real Estate.
(14) **BY MR. CASEY:**
(15) **Q.** What is R and B Real Estate?
(16) **A.** A Real Estate partnership.
(17) **Q.** Are you a partner of R and B Real Estate?
(18) **A.** Yes.
(19) **Q.** Does R and B stand for Richard and
(20) Barbara?
(21) **A.** Very good, yes, you're correct.
(22) **Q.** When did you start R and B Real Estate?
(23) **A.** Good question. I don't remember.
(24) **Q.** Can you give me an approximate date?